

AMENDED IN ASSEMBLY APRIL 12, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 974

Introduced by Assembly Member Nunez

February 18, 2005

An act to add ~~Section 25214.5 to the Public Resources Code, and to add Section 311.7 Section 1105~~ to the Public Utilities Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 974, as amended, Nunez. Energy resources: ~~State Energy Resources Conservation and Development Commission~~. Public Utilities Commission: *transmission siting*.

Existing law establishes the State Energy Resources Conservation and Development Commission (*Energy Commission*) in the Resources Agency, ~~and also establishes the Public Utilities Commission~~. ~~Existing law requires the meetings of both commissions to be open and public.~~ Existing law requires the Energy Commission to conduct biennial assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices. The Energy Commission is required to use these assessments and forecasts to develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety. The Energy Commission is required to adopt a biennial integrated energy policy by November 1 that contains an overview of major energy trends and issues facing the state. Existing law requires the Energy Commission to adopt a strategic plan for the state's electric transmission grid using existing resources, to be included in the integrated energy policy report adopted on November 1, 2005, which identifies and

recommends actions required to implement investments needed to ensure reliability, relieve congestion, and to meet future growth in electrical load and generation, including, renewable resources, energy efficiency, and other demand reduction measures.

Under existing law, the Public Utilities Commission (CPUC) has regulatory authority over public utilities, including electrical corporations. The existing Public Utilities Act prohibits any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the CPUC a certificate that the present or future public convenience and necessity require or will require that construction.

This bill would require the CPUC, by July 1, 2006, to prepare and implement a comprehensive plan, meeting certain requirements, to streamline the transmission permitting and siting process to provide for the orderly, cost-effective construction or expansion of transmission facilities that may be necessary to integrate renewable generation, increase import capability, or accommodate load growth. The CPUC would be required to consult with the Energy Commission, the Independent System Operator, the Electricity Oversight Board, electrical corporations, appropriate federal, state, and local agencies, California Native American tribes, and the public in the preparation and implementation of the plan.

~~This bill would require both of these commission to meet, in joint session, at least once per month in order to discuss the state's electrical transmission system. The bill would require these meetings to be open and public. The bill would also require both of these commissions to invite the members of the Board of Governors of California ISO to attend these meetings.~~

~~The bill would require each of these commissions to report, in writing, to the chairpersons of the Assembly Committee on Utilities and Commerce and the Senate Committee on Energy, Utilities and Communications, the findings and conclusions they develop in the meetings held pursuant to the bill. These reports would be due on July 1 and December 31 of each year.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

~~SECTION 1. Section 25214.5 is added to the Public Resources Code, to read:~~

SECTION 1. The Legislature finds and declares all of the following:

(a) California lacks an integrated, statewide approach to electric transmission corridor planning that addresses the state's critical energy policy goals and allows electric transmission projects to move seamlessly from the planning phase into the permitting phase for timely approval and construction of needed electric transmission lines.

(b) Planning for and establishing a high-voltage electric transmission system to accommodate the development of renewable resources within the state, facilitate bulk electricity transactions, ensure access to out-of-state regions that have surplus electricity available, and reliably and efficiently supply existing and projected load growth is vital to the future economic and social well-being of California.

(c) The construction of new high-voltage electric transmission lines within new or existing corridors has become increasingly difficult.

(d) It is in the interest of the state to establish an electricity transmission corridor planning process to accomplish all of the following:

(1) Identify the long-term needs for electric transmission corridors within the state.

(2) Work with appropriate federal, state, and local agencies, California Native American tribes, and the public to study transmission corridor alternatives and designate appropriate corridors for future use to ensure reliable and efficient electricity supplies for California's residents.

(3) Integrate transmission corridor planning at the state level with local and regional planning so that designated corridors are reflected in local general and specific regional plans.

SEC. 2. Section 1105 is added to the Public Utilities Code, to read:

1105. (a) The commission shall, by July 1, 2006, prepare and implement a comprehensive plan to streamline the transmission permitting and siting process to provide for the orderly,

1 *cost-effective construction or expansion of transmission facilities*
2 *that may be necessary to integrate renewable generation,*
3 *increase import capability, or accommodate load growth.*

4 *(b) The plan shall eliminate regulatory overlap and*
5 *duplication, and reduce the time needed to review and approve a*
6 *request for transmission facilities.*

7 *(c) The plan shall provide for the expedited review and*
8 *approval of new or expanded transmission facilities located*
9 *within transmission corridors designated within local general*
10 *and specific plans.*

11 *(d) The commission shall consult with the State Energy*
12 *Resources Conservation and Development Commission, the*
13 *Independent System Operator, the Electricity Oversight Board,*
14 *electrical corporations, appropriate federal, state, and local*
15 *agencies, California Native American tribes, and the public in*
16 *the preparation and implementation of the plan.*

17 ~~25214.5. (a) The commission shall meet, in joint session, with~~
18 ~~the Public Utilities Commission at least once per month in order~~
19 ~~to discuss the state's electrical transmission system. All meetings~~
20 ~~held pursuant to this section shall be open and public in~~
21 ~~accordance with Article 9 (commencing with Section 11120) of~~
22 ~~Chapter 1 of Part 1 of Division 3 of Title 2 of the Government~~
23 ~~Code. The commission shall invite the members of the Board of~~
24 ~~Governors of California ISO to attend the meetings held pursuant~~
25 ~~to this section.~~

26 ~~(b) The commission shall report, in writing, to the chairpersons~~
27 ~~of the Assembly Committee on Utilities and Commerce and the~~
28 ~~Senate Committee on Energy, Utilities and Communications, the~~
29 ~~findings and conclusions it develops in the meetings held~~
30 ~~pursuant to this section. The commission shall submit these~~
31 ~~reports to the chairpersons on July 1 and December 31 of each~~
32 ~~year.~~

33 ~~SEC. 2. Section 311.7 is added to the Public Utilities Code, to~~
34 ~~read:~~

35 ~~311.7. (a) The commission shall meet, in joint session, with~~
36 ~~the State Energy Resources Conservation and Development~~
37 ~~Commission at least once per month in order to discuss the state's~~
38 ~~electrical transmission system. All meetings held pursuant to this~~
39 ~~section shall be open and public in accordance with Article 9~~
40 ~~(commencing with Section 11120) of Chapter 1 of Part 1 of~~

1 ~~Division 3 of Title 2 of the Government Code. The commission~~
2 ~~shall invite the members of the Board of Governors of California~~
3 ~~ISO to attend the meetings held pursuant to this section.~~

4 (b) ~~The commission shall report, in writing, to the chairpersons~~
5 ~~of the Assembly Committee on Utilities and Commerce and the~~
6 ~~Senate Committee on Energy, Utilities and Communications, the~~
7 ~~findings and conclusions it develops in the meetings held~~
8 ~~pursuant to this section. The commission shall submit these~~
9 ~~reports to the chairpersons on July 1 and December 31 of each~~
10 ~~year.~~